GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:4062
ANSWERED ON:18.08.2000
REVIVAL OF PSUS
SUNIL KHAN

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether an Expert Group was appointed to explore the possibility for revival of six PSUs including Mining and Allied Machinery Corporation;

(b) if so, the details thereof;

(c) the main recommendations of the said Group; and

(d) the action taken by the Government on these recommendations?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) to (d) Yes, Sir. Out of 6 sick PSUs for which Govt. has decided to take action for closure, Expert Group concluded in case of 4 PSUs namely National Bicycle Corporation of India Ltd. (NBCIL), Weighbird India Ltd. (WIL) Tannery & Footwear Corporation (TAFCO) and Rehabilitation Industries Corporation (RIC) that there was no reasonable prospect of revival of these PSUs. In one case of Mining and Allied Machinery Corporation (MAMC), the Expert Group concluded that the company cannot be revived with reasonable cost and effort. The Group had recommended other options for forming co-operatives/joint venture/privatisation in these cases. BPME was considered an unviable enterprise. Government had taken a decision to take action for closure of these six sick PSUs after carefully considering the recommendations of the Expert Group and deliberating on further prospects of revival taking into account the futility of repeating the earlier efforts that had been adopted for revival through various options.